The PRESIDING OFFICER. The Chair informs the Senator that the time for morning business is concluded.

Mr. EXON. I ask unanimous consent that I be allowed to proceed as if in morning business for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I want to thank my friend and colleague from Iowa for his excellent remarks, especially with regard to the fairness on the budget that we are going to vote on today. I think this is a very, very critical vote that is upcoming. I thank the Senator from Iowa for his input, and the excellent remarks by the Senator from Massachusetts yesterday, and all of the other constructive suggestions that have been made.

Let us scrap this bill and try to come up with something, almost anything, that would be better.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I see the Senator from Delaware on the floor at this moment. I would like to address the Senate for 8 minutes. I could ask consent to proceed in morning business, or we can lay the bill down, whatever is the desire of the floor manager about the way to proceed. I am glad to have the bill laid down and ask that my remarks be printed in the appropriate place in the RECORD.

Mr. ROTH. Mr. President, I suggest that the Senator just proceed on that basis.

Mr. KENNEDY. Mr. President, I ask unanimous consent to extend the morning hour for 8 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. KENNEDY. Mr. President, I ask unanimous consent that Ross Eisenbrey, a fellow on the staff of the Labor Committee, be granted privileges of floor during the pendency of the regulatory reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

REGULATORY REFORM BILL

Mr. KENNEDY. Mr. President, it is no accident that the United States today has the cleanest air and water we have had in decades, perhaps the cleanest in the world. We have the safest and most affordable food and the safest, most advanced, and most effective drugs. American workplaces are safer than they have ever been before. Our national productivity is the envy of the world. In short, our regulatory system is achieving the goals we have set. There is no justification to scrap it or trash it.

We can improve the current system, especially to streamline it, and reduce redtape, bureaucracy and delays. But I will not support a bill that carves gaping loopholes in the current system.

We all know what is going on here. The extremist Republican majority in Congress has given the keys of the store to profit-sharing business lobbyists and an unholly collection of special interest groups.

We know that many well-heeled enterprises have no use for Government regulations that cramp their profits or protect the public interest. There is no love lost for regulations that make them clean up pollution they cause, or that prohibit them from marketing dangerous or unhealthy products, or that make them spend part of their profits to protect the health and safety of their workers.

Are the costs of this kind of regulation way out of line? Have we spent too much safeguarding health and safety and protecting the environment? On the whole, we have not. We heard estimates yesterday about the cost of regulations. But we heard nothing about the benefits of those regulations.

It is no surprise or wonder that those who care about the environment and public health and public interest are deeply concerned about this bill. We can only hope that the cost-benefit analyses mandated by the bill will be more balanced than our debate about the costs and benefits of regulation. If the Congress does not protect the public interest, who will?

In fact, there is good evidence that the estimates cited yesterday are greatly exaggerated. In the first place, about half of the entire regulatory burden comes from a single agency—the Internal Revenue Service—which is not even covered by the bill.

The Environmental Protection Agency, and environmental regulations generally, are said to be the next biggest culprit. But the Bureau of Labor Statistics has been surveying businesses about the causes of their layoffs for years, and the businesses themselves attribute only one-tenth of one percent of their layoffs to the burdens of environmental laws and regulations. If environmental regulations caused the kind of impacts that the supporters of this bill claim, we would expect the businesses themselves to be aware of them.

We have all heard stories of regulatory excesses, and a small number of them are true. There have been regulators who have overreached and made unjustifiable decisions, such as the inspector who cited a company for a violation when employees violated OSHA standards to rescue the victim of a trench cave-in.

But honest, accurate examples of regulatory excess are relatively rare, considering the size and complexity of the economy. We hear the same handful of anecdotal examples over and over again. But we hear less about the benefits of our regulatory system, which are taken for granted and are undeniable. We have never had a Chernobyl or a Bhopal or a thalidomide tragedy in the United States. We should be proud of that record—and cautious about making changes that could make tragedies more likely.

The reckless practices that led to dangerous workplaces, to American rivers catching fire, and to the near-extinction of the bald eagle have given way over the past quarter century to rules which help ensure that today's children can look forward to safe and healthy places to work and a clean environment that reflects the best of our heritage. We need to keep these priorities in mind and in perspective as we consider this bill.

We also need to remember that we are not writing on a clean slate. Congress and the President have recently made important changes to improve the regulatory process, and other sensible changes are on the way. In March, President Clinton signed the Unfunded Mandates Act, which requires all rules that have an impact on the economy of $100 million or more to have a cost-benefit analysis and a risk assessment. The President's executive order on regulation, signed last year, has similar requirements.

The Senate has passed the Nickles-Reid bill, which requires every regulation to lay over for 45 days before becoming effective, in order to allow Congress to block regulations that do not make sense or which impose excessive costs. We need that kind of oversight of the regulatory process, and it is being put in place and should be given a chance to work.

Unfortunately, much of the pending bill is overkill. The Dole-Johnston draft is an improvement over the Judiciary Committee bill. But without additional, significant changes, it could severely undermine the health of large numbers of American families, leave major areas of the environment ravaged by pollution, and threaten the health and safety on the job of millions of American workers. In too many ways, the Dole-Johnston is still, like the bill reported from the Judiciary Committee, a blueprint to paralyze the regulatory process.

Rulemakings under the Occupational Safety and Health Act would have more than 20 new steps, making an already slow process much slower. OSHA's 5-year-long rulemaking on cadmium, which causes cancer and kidney disease, would have become a 10-year ordeal.

The Food and Drug Administration has proposed a rule requiring label warning statements and single-dose packaging on certain dietary iron supplements, which cause about 10,000 poisonings of children a year. Iron tablet overdoses can cause intestinal bleeding, shock, coma, seizures, and death in children. Because of the bill's retroactive effective date, FDA will have to redo its risk assessment and cost-benefit analysis to meet the rigid, one-size-fits-all requirements of the bill. This will create unnecessary costs, and delay a rule that will save children's lives and prevent $250 million a

year in medical, litigation, and other costs.

The State of Illinois had a very negative experience with this kind of one-size-fits-all regulatory reform. The Illinois law's mandated cost-benefit analyses did nothing to improve the quality of regulation. But according to a story in the Chicago Tribune, the requirement added as much as 42 months of delay to every rule. In 1992, after 14 years of experience, Illinois repealed the law.

The Wall Street Journal, which supports regulatory reform, admitted in one of its editorials that the bill is designed to ensnare the bureaucrats in redtape. But creating redtape is not the answer to any regulatory problems the American people want solved. It will not in any way expedite the approval of needed drugs and medical devices. It will not focus regulation on the worst problems, and it will not allow agencies to rely on common sense. In fact, it will do just the opposite.

By creating multiple, overlapping, and uncontrollable petition procedures to review all existing regulations, the Dole-Johnston bill will tie up so many resources that agencies will be forced to abandon their examination of new issues, new problems and new solutions. That is the clear and obvious purpose of the petition process, and it is unacceptable.

Without substantial additional budgets and personnel, agencies like the FDA will be forced to shift resources, and will not have enough people to work on approving new products. The Federal work force has been cut by 75,000 workers, and another 125,000 will be cut in the near future. Yet the Dole-Johnston bill piles on new procedural requirements that will cost the agencies hundreds of millions of dollars a year and require more staff, not less.

Compounding the problem, the Dole-Johnston bill literally gives every regulated business the right to compel every agency to examine each separate regulation and decide whether each individual business should be exempted from it. This is a radical, extremist proposal that fundamentally undermines the rule of law. A more honest approach would be to simply repeal the workplace safety, environmental, and public health laws. The Dole-Johnston bill repeals them indirectly through a kind of stealth process.

A sausage maker, for example, who decided he no longer wanted to comply with food safety laws and worker safety laws could petition the FDA and OSHA for exemptions from every applicable regulation. The agencies would be compelled to respond in writing to each factual and legal claim within 180 days, although the bill provides no standard for the decisions they would have to make.

The agencies would be totally overwhelmed if just one-tenth of one percent of the 6 million regulated businesses petitioned for exemption from a single regulation, let alone from multiple regulations. Because a denial of the petition would be immediately reviewable by the courts, the agencies would be forced into an explosion of litigation—or else grant the petitions.

In these and other ways, the bill is a veritable gold mine for lawyers and lobbyists. On issues ranging from securities law, to product liability, to medical malpractice, the effort in Congress has been to reduce litigation in our society, not encourage it. But now, when big business is the plaintiff, the authors of this bill want to widen the courthouse door.

This bill has many other problems. It would make it extremely difficult to protect crops from imported pests, since extensive, peer-reviewed risk analyses would have to be performed before quarantine orders could be issued.

Environmental regulations such as those put in place under the Clean Air Act of 1990, which are removing more than a billion pounds of toxic emissions from the air each year, would be subject to reopening by any regulated business. EPA could be forced to redo its cost-benefit analysis of these enormously successful regulations in order to examine such foolish alterations as making the standards voluntary.

Regulations on veterans benefits suffering from gulf war syndrome would be delayed until cost-benefit analyses and risk assessments could be completed. Drug-testing regulations for truck drivers and congressionally-mandated standards for mammograms would be delayed. FAA air-worthiness and air safety rules would be subjected to cost-benefit tests and the additional paperwork of risk assessments and peer reviews.

Finally, the bill contains a provision that as a practical matter repeals the Delaney clause, the provision in the Food, Drug and Cosmetic Act that protects the American people from cancer-causing pesticides and additives in food. I agree that the 37 year-old Delaney clause should be modernized in light of modern scientific knowledge about the risks of chemicals. But the sweeping and extremist approach in this bill poses a grave threat to all Americans, especially children whose diet and metabolism render them especially vulnerable to cancer-causing chemicals in their food.

Our water and air are not too clean. Our workplaces are not too healthy. Our air traffic and highway systems are not too safe. Our children are not too protected from dangerous products. This bill will delay further progress and undo much of the progress we have made. Without major changes, I cannot support it.

CONCLUSION OF MORNING BUSINESS

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Is the pending business regulatory reform?

The PRESIDING OFFICER. It will be as soon as morning business is closed.

The time for morning business is closed.

COMPREHENSIVE REGULATORY REFORM ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 343, the regulatory reform bill, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 343) to reform the regulatory process, and for other purposes.

The Senate resumed consideration of the bill.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, as I understand it, both Senator ROTH and I would like to make statements on regulatory reform, but we deferred to Senator KENNEDY. I say to the Senator from South Carolina, as I understood it, Senator D'AMATO was going to make a short statement. Then could we go to the Senator right after that?

Mr. HOLLINGS. Go right ahead on the opening statements.

Mr. HATCH. We would be happy to go to Senator D'AMATO and then to Senator HOLLINGS, if we can, and then if we could make our statements, we would appreciate it.

I ask unanimous consent that be the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, let me thank my colleague from South Carolina and my colleague from Utah. I wish to be able to proceed as if in morning business and not interrupt the flow of agenda, and I will attempt to make my remarks succinct.

MEXICO CRISIS REPORT AND CHRONOLOGY

Mr. D'AMATO. Mr. President, since February, I have repeatedly voiced my concern over the Clinton administration's bailout of Mexico. Today, I am releasing a comprehensive report and chronology of the Mexican economic crisis.

Since January, the Senate Banking Committee has held three hearings to examine this crisis. This report and chronology is based on testimony from these hearings and from information contained in numerous internal administration documents. It brings together for the first time a full description of the United States Government's internal and external communications regarding Mexico.

My office will have available the complete report and chronology. We cleared the releases and declassification of many internal documents for use in this report. It does not include or refer to any classified documents.